

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE SEMI-ANNUAL DEMAND-SIDE)	
MANAGEMENT PROGRAM AND COST)	CASE NO.
RECOVERY FILING OF AMERICAN ELECTRIC)	2005-00077
POWER D/B/A KENTUCKY POWER COMPANY)	

O R D E R

This matter comes before the Commission through the February 14, 2005 filing of American Electric Power d/b/a Kentucky Power Company ("Kentucky Power") on behalf of its Demand-Side Management ("DSM") Collaborative.¹ The filing includes a revised tariff proposing decreased DSM surcharges for Kentucky Power's residential and commercial customers, to become effective March 31, 2005, and summary status reports on each of Kentucky Power's DSM programs through December 31, 2004.

The revised DSM tariff includes decreases in the DSM surcharge factors for residential customers from \$.000375 per Kwh to \$.000252 per Kwh and for commercial customers from \$.000048 per Kwh to \$.000006 per Kwh. The revised DSM surcharge factors were calculated using the methodology proposed by Kentucky Power and approved by the Commission in previous Kentucky Power DSM cases.

The summary status reports describe year-to-date and program-to-date costs, as well as demand and energy savings attributed to each program through December 31,

¹ The DSM Collaborative includes Kentucky Power, the Attorney General's Office, Kentuckians for the Commonwealth, Big Sandy Area Development District, Northeast Kentucky Area Development Council, Kentucky Tech Northeast Region, Christian Appalachian Project, Kentucky Division of Energy, Coleman Oil, Cedar Knoll Galleria, Kentucky Industrial Utility Customers, Big Sandy Area Community Action Program, LKLP – Community Action Council, Middle Kentucky River Area Development Council, Appalachian Regional Defense Fund, and Appalachian Service Project.

2004. The filing also includes cost projections for the existing DSM programs agreed upon by the DSM Collaborative for the remainder of calendar year 2005.

SUMMARY

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that:

1. Kentucky Power has kept the Commission informed of the progress and status of its DSM programs by timely filing summary status reports on these programs.
2. Kentucky Power's revised DSM surcharge factors are reasonable as they reflect the ongoing level of DSM program costs and the true-up of prior-period DSM costs and revenues.

IT IS THEREFORE ORDERED that:

1. Kentucky Power's revised tariff containing DSM surcharge factors of \$.000252 per Kwh for residential customers and \$.000006 per Kwh for commercial customers is approved to be effective on and after March 31, 2005.
2. Within 10 days from the date of this Order, Kentucky Power shall file a revised DSM tariff showing the date of issue and that it was issued by authority of this Order.

Done at Frankfort, Kentucky, this 22nd day of March, 2005.

By the Commission

ATTEST:


Executive Director